66-97

G. R. S. IX-5]

Previous references. 1894-95

~~191~~ .

(G. 7)

File No. 12-1894

Serial Nos.

Later references.

S. R. 69-17 & 1-3,

b. march 18

87 17-8-1

GENERAL AND REVENUE SECRETARIAT.

1

Serial Nos. ~~—~~ 8

P2.91

E

Part B for

SUBJECT.

Exemption from payment of Stamp duty on cheques drawn by presidents of municipal and L. 7. Boards.

Indexed 4f.

Countermarked

JB

W D 88—GPB—50,000—24-7-18

G7 12-94

COMPTROLLER'S OFFICE
28 APR 1896
RECEIVED

FINANCIAL DEPARTMENT.

L. F. Circular No. 25, dated 14th April 1896.

To All Deputy Commissioners, Treasury Department and Presidents of Municipalities.

The attention of Deputy Commissioners, Treasury Department, is invited to Article 8 (*a*) and (*b*) Chapter I, Civil Account Code, in which it is distinctly laid down that cheques drawn by a Municipality and cheques and receipts for all sums exceeding Rs. 20, signed by a Government Officer as Chairman of a Municipality are chargeable with stamp duty.

Such cheques and receipts if not duly stamped should be refused payment.

The stamp duty which the Municipal authorities levy on payments made by them to their establishments, contractors, &c., refers to quite a different set of transactions—transactions between themselves as the employees and principals on the one hand and their servants, and agents and contractors on the other hand. Stamps thus levied by them should be attached to the vouchers that accompany the Municipal accounts they render.

For withdrawals from Treasuries in which Municipal Funds are deposited as in Banks, the Treasury authorities should demand and obtain duly stamped cheques or receipts in the same manner as from any private parties and forward them with the Treasury accounts as vouchers in support of their payments.

E. R. SUBRAYER, *Comptroller*

Proceedings of the Government of Mysore, Local Boards Branch, Municipal, dated 8th July 1896.

READ AGAIN:—

Letter from the Comptroller, dated 8th May 1896, No. 1961, requesting the orders of Government as to whether an agreement obtained from the Presidents of Municipalities for loans granted should not be executed on stamped paper.

2. Read also letter from the Government Advocate, No. 189, dated 18th June 1896, giving his opinion on the subject.

No. 360-71—L. F. 125-95, DATED, BANGALORE, 8TH JULY 1896.

ORDER THEREON.—Government consider that the agreements executed by the Presidents of Municipalities for loans granted from the Sanitary Budget fall under the exemptions allowed by clause 18, Schedule II of the Indian Stamp Act, 1879, and they are accordingly of opinion that no stamp duty need be charged in respect of such agreements.

C. SREENIVASIENGAR,
Secy. to Govt., Gen. and Rev. Depts.

To—The Comptroller.
The Government Advocate
The Presidents of Municipalities in the State.

Exd.—H.A.R.

1896-97

GOVERNMENT OF MYSORE

LOCAL BOARDS BRANCH. MUNICIPAL

PROCEEDINGS

Dated 8th July 1896

No. 360-71
L. F. 125-95

Ruling that no stamp duty need be charged in respect of agreements executed by the Presidents of Municipalities for loans granted from the Sanitary Budget.

M.G.C.P.B.—3-8-96—120

Mysore Dewan's Office

GOVERNMENT OF MYSORE

Bangalore 7th Aug: 1896

My dear Mr Narain Rao

Please let me know whether when I was in charge of the Chitaldroog District, there was not some correspondence between myself, and the Comptroller and Government on the subject of affixing stamps to Cheques issued for payment of works carried out from Municipal and D F and if so, how the matter was disposed of.

With kind regards
yours very sincerely
(Sd) C. Srinivasa Iyengar

P. S.
Keep this file
where you like the
receipt of Cor rely
Sdj 7/8/96

M. S. Narain Rao Esq

(Copy of the D. O.)

Chiltern Hill
9th August 1896

My dear Sir

As requested in your note of the 7th inst I send copies of correspondence regarding the opening of Mr Todd's Municipal Funds cheques

I remain Yours truly
W. Macnaughtan

J. D.
Cancelled
11-8-96

Subd to Secy

There are two references for orders. I think the civil account Code rule wh. the Comptr Enforces in his Circular D. 14th April 1896, needs to be revised. We recently issued an Order no 360-71 D. 8/7/96 L.F. 125-95 wh. agreements executed by Presidents of municipalities for loans from Sanitary Budget were exempted from Stamp duty I submit that the concession ought to be extended to cheques drawn by D.C.s as Presidents of municipalities & D.F. Boards. Also to the Comptroller's Circular such cheques have to be taxed twice, first when drawn, & again when paid & the payee; both for the same transaction. This can hardly be fair, and ~~cheques when drawn~~ ~~are to be stamped~~ ~~the~~ is not I think done in the case of cheques drawn on ordinary Banks, minor D.F. Boards & Municipalities Moreover, Can hardly

Have write a D.O. to the Dy Comr of Chittagong & point out wherein when I was in charge of that D. there was not some correspondence between me & Comptroller's office to subject, which now cannot be traced - I will sign the D.O. myself if

6 1895.

Sir.

Our office papers are herewith submitted. I am sorry that Accts Dept have not been able to trace the papers until copies have been received from the Dy Comr of Chittagong. Submitted DSG 11/8/96

I prepare the reference to the Fd dept with a view to amending Standing Exemption Order drafted by

11-8-96.

Draft submitted DS 13/8/96

be called bodies
independent of Govt,
and the payment
of the stamp duty
will virtually have
to be made by
Govt because if
the Comptroller's
Circular is held
good the Residents
will be justified,
I think, in asking
for an additional
grant for meeting
the expenses if they
are not to entail
24/8.

(General Serial No.-39.)

GENERAL CORRESPONDENCE

1895/3797

From The Deputy Commissioner Chitaldroog District

L 3429

The Chief Secretary to the ~~Devan~~ Government of Mysore.

Stamp department

Dated 13th April 1895.

Despatched 15

Received

Enclosures No.

General No. 772

No. 677

Soliciting exemption from stamp duty on cheques drawn as Presidents of municipal and Local Fund Boards &c.

Financial Branch

Please send Account Code for submission to Senior Counsellor.

17/4

Not available in the P & A Br

Submitted for orders with a copy of Account Code.

22/4

Under the Stamp Act. Issue

24/4

To, The Ist Councillor.

The Act Called the Stamp Act accompanying the former Stamp Act in British India which Cheques are not Exempt. & as our circumstances are similar to those in B. India, the case has not been made strong for a different procedure. Hence the Cheques are stamped at the cost of the Municipality & D F Fs &c.

2. If however an Exemption is considered necessary, Sec. 89 the Stamp Act gives the power & the Govt. may proclaim the same.

1/5

The practice in British India may be followed; the exemption is ordered under Sec 8 of the Act. This however is a matter for Council in the Financial Branch who have to dispose of the Stamp Question

1/5

To

The Chief Secretary to the
Government of Mysore
Stamp Department.

Sir,

I have the honor to
state that, on the
strength of Article 8
of the Civil Account
Code, the Comptroller
requires that a stamp
of one anna should
be affixed on all
Cheques for over Rs: 20/-
drawn by the under-
signed as President
of the Municipalities
of this District. We con-
siders that this duty
is leviable in addition
to the stamp affixed to
bills on which payments
are made to the parties
concerned. Though
technically speaking,
the Comptroller's view
is correct, it may
nevertheless

GOVERNMENT OF TASMANIA

nevertheless be observed that, for the same sum of money drawn from the Treasury and paid to a private party, two several Stamp duties are incicted upon, one to be paid by the Municipality, and the other by the private party. A Municipality in this Province being a quasi Government Institution presided over by the head of the District who alone is competent to issue Cheques, the undersigned is of opinion that such Cheques should be exempted from the operation of the Stamp Act. The same observation applies with even greater force to Local Fund Boards whose Cheques or receipts are likewise liable to Stamp duty under the

4
1

the Article above quoted.

2. In these circumstances, the undersigned begs to recommend that exemption from Stamp duty be kindly ordered in respect of cheques and receipts issued both by the Presidents of Municipalities and by the Presidents of Local Funds Boards.

I have the honour to be,
Sir,
Your obedient servant,
Deputy Commissioner
Kilal Drooy District

[illegible]

G-7-5
12-94
1976-12-2
1976-75
9/5/95
158/94
R32-54

Read:- (1) R. 2

Docket dated 13 April 1895 re. 772/677 from the Dy Comr of the Chittaldrug Dist,

re hearing exemptions from stamp duty chargeable on cheques and receipts issued both by the Presidents of Municipalities and Local Fund Boards.

Order thereon

The practice in British India in regard to stamp duty on documents referred to in the above Standing Order has followed, till a general exemption is ordered under Sec 8 of the Stamp Act. This however is a matter for consideration in the Financial Branch, to which the papers should be referred for stamp exemption.

HMM 3.5.95

3/5

R3255

D.A

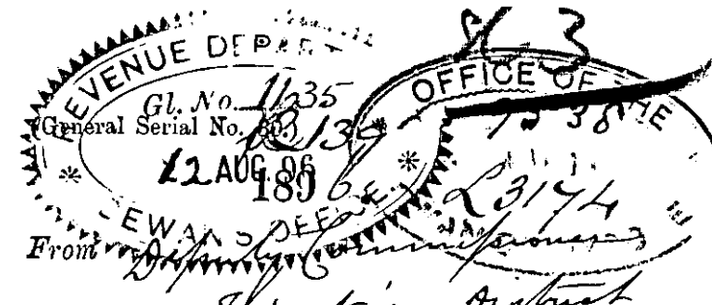
9/5/95

1976-75
Ff 158-94

The Dy Comr Chittaldrug
The Comptroller
Memo exempting D.D. Comrs of other Dists

The General Secretary,

6



G 7 94

To 12-8

The ~~Chief~~ Secretary to the ~~Dewan~~ Govt. of Mysore.
Rev. Department.

Dated 25 May 1896.

Despatched —do—

Received

Enclosures No. 2 two

General No. 918
No.

Solicits instructions in the matter of obtaining stamped receipts for payments made by Presidents of the District Fund and Municipal Fund Boards.

Subdv to Secretary

The question is whether a cheque issued by the Dr com^a as President of a municipality in favour of the Amildar (Vice-President) on a Taluk Treasury should be stamped with an anna stamp. A cheque is a bill of exchange on a banker & payable on demand. In this case the Amildar as Taluk Treasury officer has to be regarded as the municipal banker. Even if there is a doubt as to whether a Treasury Sub officer & the Govt Treasury are technically under the expression banker & bank, there is no doubt these cheques are bills of exchange & as such should be stamped with an anna stamp. The Comptroller seems to be right ~~I think~~ I.

2/6/96

G 7
26/5/96
Submitted with Civil account
Code. Orig 28/5/96
Post-up Stamp Act
28/5 2/

it will have been obtained from Civil Branch and a

No: 918
Rec: 2

Deputy Commissioner's office
Tumkur District
Tumkur 25th May 1896.

To

The Secretary to the Government of
Mysore, General and Revenue Departments.

Sir,

I have the honor to submit, for the information of Government, Copies of the Comptroller's Circular No 25 and Docket No 1901 of the 14th and 30th April 1896 respectively enjoining that all cheques issued by the Presidents of the District Fund and Municipal Boards for sums exceeding 20 Rupees should bear a Stamp of one anna in value, and to state that it was not the practice to stamp such cheques hitherto. Receipts for payments made in accordance with such cheques are of course subject to stamp duty, which has invariably been levied from the payees on receipts granted by them. District Fund and Municipal cheques are drawn on a Government Treasury in favor of the Amildar of a Taluk or a private person to whom payment has to be made. In the case of cheques issued in favor of the Amildar,

the money is drawn from the Treasury
and paid to the parties concerned and
all receipts obtained from the payees for
payments exceeding 20 Rupees are duly
stamped. When the cheque is drawn in
favour of a private person, the Receipt
stamp is either affixed behind the cheque
and signed by the payee or where a
separate receipt is executed by him,
such receipt is duly stamped. This
practice seems to meet the require-
ments of the Stamp Law and has long
been in force.

2. According to the instructions of
the Comptroller, the cheque as well as the
separate receipt granted by the payee
would have to be stamped. There would
thus be a double levy of stamp duty for
one and the same payment. For
example a cheque for 25 issued in favor
of an Amildar for payment to a
Contractor would have to bear a stamp
of one anna, and again the
receipt granted to the Amildar by the
Contractor would have also to be similarly
stamped. I do not think a double pay-
ment of stamp duty is contemplated by the

Stamp Act. 9

3. I beg to be favored with instructions in the matter. Pending the receipt of Government orders, I have arranged to issue cheques, with an anna added to the amount thereof, so that the cheque may be duly stamped at the time of drawing the money from the Treasury in accordance with the Comptroller's instructions.

I have the honor to be
Sir
Your most obedient Servant

M Nazamuddin

offg Deputy Commissioner
Tumkur District

EV

10 1896

From

The Comptroller

encl to 3

To The Deputy Commissioner
Treasury Department
Tuntkin District

Dated 30th April 1896.

Despatched 2nd May 1896

General No: 1901.

Enclosures 4 Cheques.

His No: 317 dated 25th instant, re-
transmitting 4 District Fund cheques
charged in January 1896.

With reference to his Explanation that receipt stamps have been affixed to receipts, has the honor to point out that Local Fund Board should at their cost stamp the cheques which they grant in payment of claims against them and the payees should affix a stamp to the receipt which they give for the payments made to them. It is therefore requested

that receipt stamps may be affixed as required by clause (d) article 8 Chapter I Civil Account Code Vol I 5th Edition, to the marginally noted cheques and the same transmitted to this office at an early date.

Signed E. R. Subrayer
Comptroller.

No 1902.

Copy forwarded to the ex Deputy Commissioner Tumkur for information.

Signed H. Eglee
For Comptroller

Copy
Mr Mamin Rao
Offg Deputy Commissioner
EV

Cheque No. 13 dated 16th January 1896 for Rs. 125-0-0
Do 14 - Do - Rs. 324-8-0
Do 15 18 Do Rs 145-12-0
Do 16. Do - Rs. 37-0-0

Financial Department

L. F. Circular No: 25 dated 14th April 1896.

To All Deputy Commissioners, Treasury Department and Presidents of Municipalities.-

The attention of Deputy Commissioners, Treasury Department, is invited to Article 8 (a) and (b) Chapter I, Civil Account Code, in which it is distinctly laid down that cheques drawn by a Municipality and cheques and receipts for all sums exceeding Rupees 20/-, Signed by a Government Officer as Chairman of a Municipality are chargeable with Stamp duty.

Such cheques and receipts if not duly stamped should be refused payment.

The stamp duty which the Municipal

Municipal authorities levy on payments made by them to their establishments, contractors, &c refers to quite a different set of transactions - transactions between themselves as the employees and principals on the one hand and their servants, and agents and contractors on the other hand. Stamps thus levied by them should be attached to the vouchers that accompany the Municipal accounts they render.

For withdrawals from Treasuries in which Municipal Funds are deposited as in Banks, the Treasury authorities should demand and obtain duly stamped cheques or receipts in the same manner as from any private parties and -

and forward them with the ~
Treasury accounts as vouchers in ~
support of their payments.

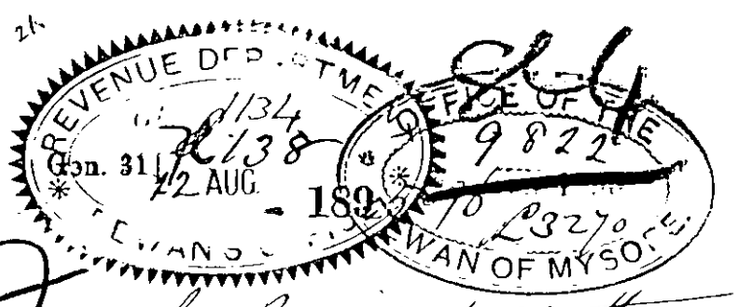
(Signed) E. R. Lubrayer
Comptroller

Copy:
M. Macainsh
Offg: Deputy Commissioner

EV.

15

G-7
12-94
4



From The President of the
District Fund Board
Mysore District

To The Secretary to the Govt
of Mysore Rev. & Genl
Departments.

Dated 31st May 1896
Despatched
Received Camp Chamrajanagar

General No. 1408
No.

Enclosure No. 1

Solicits orders regarding stamps to be affixed on the cheques issued for payment of works carried out of the District Funds.

I Mem. Other questions
remain unanswered before
Govt. Transfer 1161
re Rama Rao - Pl. to
Record
5-6-96

K.S.

Go through the Registers & Indexes carefully, and see if there is any correspondence on the subject. 9/6/96. 10/6/96

Sir

A search has been made in the Indexes & Registers, but to no effect. A copy of Comptroller's circular putup. K.S. 26/6/96

9/6/96

Submitted. Every attempt was made to trace the reference in this office, but in vain.

From enquiries made in the Comptroller's office it is learnt that he sent copies of his Circulars dtd 1/3/79 to Dy. Comrs of Dists to this office with his etc 1800/9/14/79; but the Civil Records says that the reference is not forthcoming in the Records. A copy of Comptroller's Circular dtd 25 dtd 12/11/96 dated 14/4/96 is herewith submitted. A copy of Circular of 1879 issued from the Comptroller's office has also obtained & Submitted.

Subd & Recd Three
Refes for orders.
I Record the Civil Account

4/6/96
Submitted 8/6/96

S. to Secretary. This is the same question as the one raised by the Dy Com'r of Tumkur in paper put up with this. 9/6. JP

No. 1408 Q. 44 16

Office of the President
of the District Fund
Board, Mysore District

Dated Camp Chamrajnagar
31st May 1896.

To,

The Secretary to the Government
of Mysore Revenue and
General Departments.

Sir,

For payment for works carried out of the District Funds cheques are issued from the District office. The Amildars concerned cash them, pay the amounts to the parties to whom they are due and obtain receipts from them duly stamped. This has been the practice hitherto. Now the Comptroller wants the cheques also to be stamped. I asked him whence

whence the cost of the stamps should

GOVERNMENT OF MYSORE

be met. In reply he says that it should be charged to the works on account of which the cheques are drawn or the orders of Government obtained. Copies of the correspondence as marginally noted are enclosed. I solicit the orders of Government on the subject.-

I have the honor to be

Sir,

Your most obedient Servant

President of the District Fund Board, Mysore District

1. Comptroller's docket No 1864/ dated 22nd April 1876
2. His office docket No 2096 dated 13th May 1876
3. Comptroller's docket No 2047/ dated 19th May 1876.

18

GOVERNMENT OF MYSORE

Circle 4

From The Comptroller in Mysore.

To The Deputy Commissioner Mysore.

Dated 22nd April 1896

No. 1864

Enclosures - 6 cheques.

Has the honor to return the mar-ginally noted cheques for receipt stamps being affixed to them as required by clause (d) Article 8 chapter I Civil account Code Volume I 5th Edition.

Cheque No:	Date	Amount
11	8.1.96	100-0-0
12	do -	64-0-0
13	do -	86-9-6
14	do -	100-0-0
15	25.1.96	100-0-0
16	do -	100-0-0

/Signed/ Hy Eagles
For Comptroller.

From The President of the District Fund Board, Mysore District

To The Comptroller in Mysore

Dated 13th May 1896 19

No. 2096

Enclosures - 6

Referring to his docket No. 1864/47 of the 22nd April 1896 returning certain cheques for receipt stamps being affixed thereto has the honor to request to be informed from what source the cost of the stamps is to be met.

2. The cheques received with the docket under reply are herewith returned.

3. Stamped receipts have been taken for the amounts drawn on cheques and paid to contractors.

/Signed/ B. K Venkatavaradaiya

President

From The Comptroller
in Mysore

To The Deputy Commissioner
Mysore.

Dated 19th May 1896

No. 2047

Enclosures – 6

In reply to his no: 2096 of the 13th May 1896, has the honor to state that the cost of the stamps should be debited to the work for which the cheque is issued, or he may ask ... Government to point out the head to which such expenditure is to be charged. The cheques received with his docket under reply are retransmitted for stamps being affixed thereto.

"Copies" "

[Signed] H. Eagles
For Comptroller

President of the District Fund, Board, Mysore District.

21.

G-7
1894

Read—

Letters No 918, dated 25th May 1896, from the Dy Comr, Tumkur District, submitting for ~~instruc~~ orders correspondence between himself and the requesting orders on the subject of Comptroller regarding the affixing of stamps to cheques issued by Presidents of Dt Fund and Municipal Boards in favour of Amildars for works carried out from Dt Funds &ca.

Also—

Letter No 1408 dated 31st May 1896 from the President of the Dt Fund Board, Mysore Dt, soliciting instructions on the same subject.

Order thereon:—

"In exercise of the powers conferred by Section 8 of the Stamp Act, 1879 the Government are pleased to direct that cheques issued by Presidents of the District

Fund and Municipal ~ 99.

Boards in favour of Amildars
for payment for works ~~executed~~ - sanctioned from Local Funds of
~~need not be stamped~~ - District Fund or Municipal
Funds - C
18-12-97

Printed

14/8/96

13/8/96 - 14/8/96 Secretary

To.

The Presidents of District
Fund and Municipal
Boards.

The Comptroller, Mysore
Govt.

Proceedings of the Government of Mysore, Financial, dated 13th December 1897.

READ :—

Letters Nos. 918 and 1408, dated 25th and 31st May 1896, respectively, from the Deputy Commissioners, Tumkur and Mysore districts, requesting orders on the subject of affixing stamps to cheques issued by Presidents of District Fund and Municipal Boards in favor of Amildars and others for works carried out from District Funds, &c.

No. 5606-14—Fl. 558, DATED, BANGALORE, 13TH DECEMBER 1897.

ORDER THEREON.—In exercise of the powers conferred by Section 8 of the Stamp Act, 1879, the Government of Mysore are pleased to remit the duty chargeable on cheques on Government Treasuries issued by Presidents of the District Fund and Municipal Boards in favor of Amildars or others for payment for works sanctioned from Local Funds General, District Funds or Municipal Funds.

C. SREENIVASIENGAR,
Secy. to Govt., Gen. & Rev. Depts.

To—The Presidents of District Fund and Municipal Boards.
The Comptroller, Mysore Government.

Exd.—H.A.R.

24

1897-98

GOVERNMENT OF MYSORE

FINANCIAL

PROCEEDINGS

Dated 13th December 1897

No. 5606-14
Fl. 558

Remitting the duty chargeable on cheques on Government Treasuries issued by Presidents of District Fund and Municipal Boards in favor of Amildars or others for payment for works sanctioned from Local Funds General, District Funds or Municipal Funds.

M.G.C.P.B.—6-1-98—250